Product Crises and Babyfaces: the Face of a Company Affects Consumer Judgments

Gerald Gorn, Hong Kong University of Science and Technology
Yuwei Jiang, Hong Kong University of Science and Technology
Gita Johar, Columbia University

We investigate the effects of babyfaceness on the trustworthiness and judgments of a company’s chief executive officer in a public relations crisis. Experiment 1 demonstrates boundary conditions for the babyfaceness-honesty trait inference and its influence on company evaluations. Experiment 2 shows that trait inferences of honesty are drawn spontaneously but are corrected in the presence of situational evidence (a severe crisis) if cognitive resources are available. We demonstrate that these babyface-trait associations underlie evaluations by reversing the babyface effect on judgments in (a) experiment 3, where a priming task creates associations counter to the typical babyface–unintentional harm stereotype, and (b) experiment 4, which creates a situation where innocence is a liability.

[to cite]:

[url]:
http://www.acrwebsite.org/volumes/14863/volumes/ap08/AP-08

[copyright notice]:
This work is copyrighted by The Association for Consumer Research. For permission to copy or use this work in whole or in part, please contact the Copyright Clearance Center at http://www.copyright.com/.
Long Abstracts

Seller’s Face and Concession Patterns: Influence on Buyer’s Price Expectations
Rajesh Bagchi, Virginia Polytechnic Institute & State University
Dipankar Chakravarthi, Johns Hopkins University
Atanu R. Sinha, University of Colorado at Boulder

A majority of marketing negotiations occur in face-to-face settings where the negotiating parties must evaluate the received offers (counteroffers) to reach agreement. In such negotiations sellers use a variety of tactics to induce advantageous inferences regarding the seller’s willingness to transact in order to arrive at an attractive final transaction price (Kwon and Weingart 2004; Srivastava et al. 2000). One such tactic that sellers often use involves changing the size and sequence of price concessions. For instance, sellers might offer a smaller initial concession followed by a larger later one (i.e., a concave concession pattern) or a larger initial concession followed by a smaller later one (i.e., a convex concession). However, these concession patterns are ambiguous and buyers may interpret these concession patterns based on other cues available in the negotiation context.

One powerful interpretive cue that is available to buyers in face-to-face negotiations is the seller’s face. The recently emerging social neuroscience literature suggests that “reading” (i.e., perceiving, identifying and comprehending) faces of interaction partners is fundamental to social interaction (e.g., Todorov et al. 2006). Previous studies that have contrasted face-to-face negotiations with anonymous ones (e.g., Srivastava and Oza 2006; Valley et al. 1998) find significant process and outcome differences. Some of these are attributed to social factors such as interpersonal perceptions and compatibility (Nadler and Shestowsky 2006). Yet, few of these studies have systematically studied how reads of the seller’s face influences buyer’s price expectations in the presence of seller’s negotiation tactics such as concession patterns.

Thus, across a series of studies we find support for our intuition that the seller’s face influences buyers’ price expectations and provide a framework to study such an influence. We also discuss theoretical and managerial implications and suggest future extensions.

Product Crises and Babyfaces: The Face of a Company Affects Consumer Judgments
Gerald J. Gorn, (Hong Kong University of Science and Technology
Yuwei Jiang, Hong Kong University of Science and Technology
Gita V. Johar, Columbia University

Search the web for today’s business news or read the business section of the newspaper and you will likely come across a headline about a company facing a public relations (i.e., PR) crisis. Take the recent headline “Edelman Eats Humble Pie, Unmasked as Force behind Wal-Mart Blog; PR Giant Does Damage Control” in Advertising Age (2006). The accompanying article and photo of Richard Edelman contains an apology by him for a fake blog that his firm created on behalf of Wal-Mart. The question we address is how consumers will respond to Edelman’s public apology for the “error in failing to be transparent about the identity of the two bloggers from the outset.” How will Edelman’s apology impact consumer liking for the Edelman and Wal-Mart brands? We believe that Edelman’s photo in the news article, specifically whether he is perceived to have a “babyface” (large eyes, small nose, high forehead, and small chin) or a mature face will be one of the determinants of their response.